



3015 (02-09-04)

ANNUAL REPORT

OF

Name: MARSHALL WATER AND SEWER

Principal Office: 130 SOUTH PARDEE STREET
P.O. BOX 45
MARSHALL, WI 53559

For the Year Ended: DECEMBER 31, 2003

**WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN**P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MARSHALL WATER AND SEWER**Utility Address:** 130 SOUTH PARDEE STREET

P.O. BOX 45

MARSHALL, WI 53559

When was utility organized? 1/1/1941**Report any change in name:****Effective Date:****Utility Web Site:**

Utility employee in charge of correspondence concerning this report:

Name: SUSAN A PECK**Title:** CLERK/TREASURER**Office Address:**

130 SOUTH PARDEE STREET

P.O. BOX 45

MARSHALL, WI 53559-0045

Telephone: (608) 655 - 4017**Fax Number:** (608) 655 - 4273**E-mail Address:** speck@marshall-wi.com

Individual or firm, if other than utility employee, preparing this report:

Name: KARLA THOMPSON**Title:** MANAGER**Office Address:** VIRCHOW, KRAUSE & CO., LLP

TEN TERRACE COURT

P.O. BOX 7398

MADISON, WI 53707

Telephone: (608) 240 - 2315**Fax Number:** (608) 249 - 8532**E-mail Address:** kthompson@virchowkrause.com

President, chairman, or head of utility commission/board or committee:

Name: MARLIN E. HENSLEY, JR.**Title:** VILLAGE PRESIDENT**Office Address:**

130 SOUTH PARDEE STREET

P.O. BOX 45

MARSHALL, WI 53559

Telephone: (608) 655 - 4017**Fax Number:** (608) 655 - 4273**E-mail Address:**

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name:**Title:**

Office Address: VIRCHOW KRAUSE & CO., LLP
TEN TERRACE COURT
P.O. BOX 7398
MADISON, WI 53707

Telephone: (608) 249 - 6622**Fax Number:** (608) 249 - 8532**E-mail Address:** jandres@virchowkrause.com**Date of most recent audit report:** 1/21/2004**Period covered by most recent audit:** 2003

Names and titles of utility management including manager or superintendent:

Name: EUGENE A. BIALOZOR**Title:** UTILITY SUPERINTENDENT**Office Address:**

616 WEST KAREM
P.O. BOX 45
MARSHALL, WI 53559-0045

Telephone: (608) 655 - 3814**Fax Number:** (608) 655 - 4748**E-mail Address:** gbialozor@yahoo.com

Name: SUSAN A PECK**Title:** CLERK/TREASURER**Office Address:**

130 SOUTH PARDEE STREET
P.O. BOX 45
MARSHALL, WI 53559-0045

Telephone: (608) 655 - 4017**Fax Number:** (608) 655 - 4273**E-mail Address:** speckvct@cs.com

Name of utility commission/committee: MARSHALL VILLAGE BOARD

Names of members of utility commission/committee:

PHILIP ADAS
HAROLD HART
MARLIN E HENSLER, JR, VILLAGE PRESIDENT
ROBERT HOFMEISTER
DARRELL KLOMPMAKER
DAN POWELL
JOHN SCHUEPBACH

Is sewer service rendered by the utility? YES

If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes? YES

Date of Ordinance: 5/23/1952

IDENTIFICATION AND OWNERSHIP

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	419,472	397,596	1
Operating Expenses:			
Operation and Maintenance Expense (401)	180,566	178,108	2
Depreciation Expense (403)	59,035	71,042	3
Amortization Expense (404)	0	0	4
Taxes (408)	72,648	72,901	5
Total Operating Expenses	312,249	322,051	
Net Operating Income	107,223	75,545	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	107,223	75,545	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	109,134	128,228	9
Miscellaneous Nonoperating Income (421)	342,768	127,826	10
Total Other Income	451,902	256,054	
Total Income	559,125	331,599	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	11
Other Income Deductions (426)	21,726	0	12
Total Miscellaneous Income Deductions	21,726	0	
Income Before Interest Charges	537,399	331,599	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	214,249	214,783	13
Amortization of Debt Discount and Expense (428)	2,773	3,539	14
Amortization of Premium on Debt--Cr. (429)	0		15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	11,391	18
Total Interest Charges	217,022	206,931	
Net Income	320,377	124,668	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	2,490,144	2,365,476	19
Balance Transferred from Income (433)	320,377	124,668	20
Miscellaneous Credits to Surplus (434)	2,504,134	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)		0	24
Total Unappropriated Earned Surplus End of Year (216)	5,314,655	2,490,144	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	419,472		419,472	1
Total (Acct. 400):	419,472	0	419,472	
Operation and Maintenance Expense (401):				
Derived	180,566		180,566	2
Total (Acct. 401):	180,566	0	180,566	
Depreciation Expense (403):				
Derived	59,035		59,035	3
Total (Acct. 403):	59,035	0	59,035	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	72,648		72,648	5
Total (Acct. 408):	72,648	0	72,648	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	107,223	0	107,223	
OTHER INCOME				
Income from Merchandising, Jobbing and Contract Work (415-416):				
Derived	0		0	8
Total (Acct. 415-416):	0	0	0	
Nonoperating Rental Income (418):				
NONE	0		0	9
Total (Acct. 418):	0	0	0	
Interest and Dividend Income (419):				
INVESTMENT INCOME	109,134	0	109,134	10
Total (Acct. 419):	109,134	0	109,134	
Miscellaneous Nonoperating Income (421):				
Contributed Plant - Water		257,231	257,231	11

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
INCOME FROM NONREGULATED SEWER UTILITY	85,537	0	85,537 12
Total (Acct. 421):	85,537	257,231	342,768
TOTAL OTHER INCOME:	194,671	257,231	451,902

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
NONE	0	0	0 13
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water	[REDACTED]	21,726	21,726 14
NONE	0	0	0 15
Total (Acct. 426):	0	21,726	21,726
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	21,726	21,726

INTEREST CHARGES**Interest on Long-Term Debt (427):**

Derived	214,249	[REDACTED]	214,249 16
Total (Acct. 427):	214,249	0	214,249

Amortization of Debt Discount and Expense (428):

NONE	2,773	[REDACTED]	2,773 17
Total (Acct. 428):	2,773	0	2,773

Amortization of Premium on Debt--Cr. (429):

NONE	0	[REDACTED]	0 18
Total (Acct. 429):	0	0	0

Interest on Debt to Municipality (430):

Derived	0	[REDACTED]	0 19
Total (Acct. 430):	0	0	0

Other Interest Expense (431):

Derived	0	[REDACTED]	0 20
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 21
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	217,022	0	217,022
NET INCOME:	84,872	235,505	320,377
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	2,490,144	0	2,490,144 22
Total (Acct. 216):	2,490,144	0	2,490,144
Balance Transferred from Income (433):			
Derived	84,872	235,505	320,377 23
Total (Acct. 433):	84,872	235,505	320,377
Miscellaneous Credits to Surplus (434):			
WATER CIAC ELIMINATION	0	908,163	908,163 24
NONREGULATED SEWER CIAC ELIMINATION	0	1,595,971	1,595,971 25
Total (Acct. 434):	0	2,504,134	2,504,134
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	2,575,016	2,739,639	5,314,655

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	419,472	0	0	0	419,472	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	419,472	0	0	0	419,472	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	4,048,397	3,747,028	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	748,490	471,777	2
Net Utility Plant	3,299,907	3,275,251	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	9,981,961	9,481,474	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	1,563,092	1,274,825	4
Net Nonutility Property	8,418,869	8,206,649	
Investment in Municipality (123)	1,743,831	1,840,009	5
Other Investments (124)	110,715	0	6
Special Funds (125)	792,207	809,209	7
Total Other Property and Investments	11,065,622	10,855,867	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	4,657	11,557	8
Temporary Cash Investments (132)	733,822	792,753	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	84,253	71,871	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	0	28,275	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	822,732	904,456	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	19,794	22,567	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	4,687	0	20
Total Deferred Debits	24,481	22,567	
Total Assets and Other Debits	15,212,742	15,058,141	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	2,933,620	2,933,620	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	5,314,655	2,490,144	23
Total Proprietary Capital	8,248,275	5,423,764	
LONG-TERM DEBT			
Bonds (221)	6,558,640	6,948,894	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	165,000	205,000	26
Total Long-Term Debt	6,723,640	7,153,894	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	14,401	170,027	28
Payables to Municipality (233)	106,149	0	29
Customer Deposits (235)			30
Taxes Accrued (236)	67,230	67,430	31
Interest Accrued (237)	34,858	37,053	32
Other Current and Accrued Liabilities (238)	18,189	13,284	33
Total Current and Accrued Liabilities	240,827	287,794	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	0	0	36
Total Deferred Credits	0	0	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	2,192,689	38
Total Liabilities and Other Credits	15,212,742	15,058,141	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	3,747,028	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	2,691,323	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	1,357,074	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	4,048,397	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	534,365	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	214,125	0	0	0	12
Total Accumulated Provision	748,490	0	0	0	
Net Utility Plant	3,299,907	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	471,777				471,777	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	59,035				59,035	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	3,753				3,753	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	62,788	0	0	0	62,788	13
Debits during year						14
Book cost of plant retired	200				200	15
Cost of removal					0	16
Other debits (specify):						17
	0				0	18
Total debits	200	0	0	0	200	19
Balance end of year (110.1)	534,365	0	0	0	534,365	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.2):

1. Report the amounts charged to Depreciation Expense (426).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	21,726				21,726	4
Accruals charged other						5
accounts (specify):						6
					0	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03	192,399				192,399	10
Total credits	214,125	0	0	0	214,125	11
Debits during year						12
Book cost of plant retired	0				0	13
Cost of removal					0	14
Other debits (specify):						15
					0	16
Total debits	0	0	0	0	0	17
Balance end of year (110.2)	214,125	0	0	0	214,125	18
Composite Depreciation Rate?	No					19
If yes, what is the rate?						20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	9,397,469	500,487		9,897,956	1
Other (specify):					
CONSTRUCTION WORK IN PROGRESS	0			0	2
Property held for future use	84,005			84,005	3
Total Nonutility Property (121)	9,481,474	500,487	0	9,981,961	
Less accum. prov. depr. & amort. (122)	1,274,825	288,267		1,563,092	4
Net Nonutility Property	8,206,649	212,220	0	8,418,869	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	0 1
Other					0	0 2
Total Electric Utility					<u>0</u>	<u>0</u>

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	<u>0</u>	<u>0</u>

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1999 GENERAL OBLIGATION PROMISSORY NOTES	642	428	2,750	1
2002 WATER REVENUE BONDS	2,131	428	17,044	2
Total			19,794	
Unamortized premium on debt (251)				
NONE				3
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	2,933,620	1
Changes during year (explain):		
NONE		2
Balance end of year	<u>2,933,620</u>	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)	
97 SEWER REVENUE BONDS-CLEAN WATER F	08/27/1997	05/01/2017	3.10%	5,031,118	1
98 SEWER REVENUE BONDS-CLEAN WATER F	11/04/1998	05/01/2018	2.64%	957,522	2
02 WATER REVENUE BONDS	07/01/2002	11/01/2011	3.92%	570,000	3
Total Bonds (Account 221):				6,558,640	

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Other Long-Term Debt (224)					
1999 GENERAL OBLIGATION PROMISSORY NOTE	04/01/1999	05/01/2007	4.06%	165,000	1
Total for Account 224				165,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	67,430	1
Accruals:		
Charged water department expense	72,648	2
Charged electric department expense		3
Charged sewer department expense	1,186	4
Other (explain):		
NONE		5
Total Accruals and other credits	73,834	
Taxes paid during year:		
County, state and local taxes	67,430	6
Social Security taxes	6,135	7
PSC Remainder Assessment	469	8
Other (explain):		
NONE		9
Total payments and other debits	74,034	
Balance end of year	67,230	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
2002 WATER REVENUE BONDS	3,797	22,544	22,782	3,559	1
1998 CLEAN WATER FUND	4,440	25,731	25,958	4,213	2
1997 CLEAN WATER FUND	27,425	158,692	160,156	25,961	3
Subtotal	35,662	206,967	208,896	33,733	
Advances from Municipality (223)					
NONE	0			0	4
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
1999 GENERAL OBLIGATION PROMISSORY NOTES	1,391	7,282	7,548	1,125	5
Subtotal	1,391	7,282	7,548	1,125	
Notes Payable (231)					
None	0			0	6
Subtotal	0	0	0	0	
Total	37,053	214,249	216,444	34,858	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
RECEIVABLE FROM TIF	1,743,831	1
Total (Acct. 123):	1,743,831	
Other Investments (124):		
CONNECTION FEE INVESTMENT	110,715	2
Total (Acct. 124):	110,715	
Special Funds (125):		
REPLACEMENT FUNDS	157,445	3
SINKING FUNDS	298,514	4
REDEMPTION ACCOUNT	273,165	5
RESERVE ACCOUNT	63,083	6
Total (Acct. 125):	792,207	
Notes Receivable (141):		
NONE		7
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	84,253	8
Electric		9
Sewer (Regulated)		10
Other (specify):		
NONE		11
Total (Acct. 142):	84,253	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		12
Merchandising, jobbing and contract work		13
Other (specify):		
NONE		14
Total (Acct. 143):	0	
Receivables from Municipality (145):		
NONE		15
Total (Acct. 145):	0	
Prepayments (165):		
NONE		16
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		17
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
PRELIMINARY SURVEY AND INVESTIGATION	4,687	18
Total (Acct. 183):	4,687	
Payables to Municipality (233):		
PAYABLE TO MUNICIPALITY	106,149	19
Total (Acct. 233):	106,149	
Other Deferred Credits (253):		
NONE		20
Total (Acct. 253):	0	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	2,668,894	0	0	0	2,668,894	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	503,071	0	0	0	503,071	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	2,165,823	0	0	0	2,165,823	
Net Operating Income	107,223	0	0	0	107,223	7
Net Operating Income as a percent of						
Average Net Rate Base	4.95%	N/A	N/A	N/A	4.95%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

Starting January 1, 2004 the utility was approved to directly bill customers for public fire protection based on the equivalent meter basis.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Balance Sheet End-of-Year Account Balances (Page F-18)

General footnotes

The balance in Account 145 for \$106,149 consists of receivables and payables. The receivables consist of public fire protection for \$11,934 for the year end true-up due from the municipality, and 2003 tax roll amount of \$3,965.48. The payables are for the 2002 tax equivalent and for routine expenses paid for by the municipality on behalf of the water and sewer utility, such as payroll & benefits, insurance and miscellaneous office supplies.

Other Deferred Debits (Acct 183): amortization requires PSC authorization. Provide date of authorization.

The preliminary survey and investigation amounts are engineering costs of a potential location of a new water tower.

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

Marshall Water & Sewer Utility
Marshall, Wisconsin

We have compiled, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants, the balance sheets of the Marshall Water & Sewer Utility, an enterprise fund of the Village of Marshall as of December 31, 2003 and 2002, and the related statements of income and retained earnings for the years then ended and the supplemental schedules as of and for the year ended December 31, 2003 in the accompanying prescribed form.

Our compilation was limited to presenting, in the form prescribed by the Public Service Commission of Wisconsin, information that is the representation of management. We have not audited or reviewed the financial statements and supplemental schedules referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

The financial statements and related supplemental schedules are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements and schedules are not designed for those who are not informed about such differences.

SS/
VIRCHOW, KRAUSE & COMPANY, LLP

Madison, Wisconsin
January 21, 2004

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	1,100,562	0	0	1,092,127	0	2,192,689	1
Add credits during year:							
CONNECTION FEES AND HOOKUP FEES				33,955		33,955	2
AMERRIKA'S DREAM PHASE 1				469,889		469,889	3
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	1,100,562			1,595,971		2,696,533	4
Balance End of Year	0	0	0	0	0	0	

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	407,134	393,101	1
Total Sales of Water	407,134	393,101	
Other Operating Revenues			
Forfeited Discounts (470)	909	976	2
Other Water Revenues (474)	11,429	3,519	3
Amortization of Construction Grants (475)		0	4
Total Other Operating Revenues	12,338	4,495	
Total Operating Revenues	419,472	397,596	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	101,307	96,514	5
General Operating Expenses (680-690)	79,259	81,594	6
Total Operation and Maintenance Expenses	180,566	178,108	
Other Operating Expenses			
Depreciation Expense (403)	59,035	71,042	7
Amortization Expense (404)		0	8
Taxes (408)	72,648	72,901	9
Total Other Operating Expenses	131,683	143,943	
Total Operating Expenses	312,249	322,051	
NET OPERATING INCOME	107,223	75,545	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential	0			1
Commercial	6	168	968	2
Industrial				3
Total Unmetered Sales to General Customers (460)	6	168	968	
Metered Sales to General Customers (461)				
Residential	919	51,567	184,215	4
Commercial	77	31,148	61,670	5
Industrial	8	430	1,506	6
Total Metered Sales to General Customers (461)	1,004	83,145	247,391	
Private Fire Protection Service (462)				7
Public Fire Protection Service (463)	1		148,934	8
Other Sales to Public Authorities (464)	18	3,701	9,841	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	1,029	87,014	407,134	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	148,934	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	148,934	
Forfeited Discounts (470):		
Customer late payment charges	909	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	909	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	3,391	7
Other (specify):		
PERMITS, RECONNECTIONS, MISC.	1,388	8
RENTS FROM WATER TOWER	6,650	9
Total Other Water Revenues (474)	11,429	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	56,846	52,987	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	13,015	12,284	3
Chemicals (630)	8,794	7,724	4
Supplies and Expenses (640)	6,377	9,878	5
Repairs of Water Plant (650)	13,462	10,113	6
Transportation Expenses (660)	2,813	3,528	7
Total Plant Operation and Maintenance Expenses	101,307	96,514	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	22,028	24,274	8
Office Supplies and Expenses (681)	8,332	7,737	9
Outside Services Employed (682)	12,521	14,380	10
Insurance Expense (684)	8,383	6,496	11
Employees Pensions and Benefits (686)	19,956	18,743	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	8,039	9,964	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	79,259	81,594	
Total Operation and Maintenance Expenses	180,566	178,108	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		67,230	67,430	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		1,186	942	2
Net property tax equivalent		66,044	66,488	
Social Security		6,135	5,919	3
PSC Remainder Assessment		469	494	4
Other (specify): NONE			0	5
Total tax expense		72,648	72,901	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Dane				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.192000				3
County tax rate	mills		2.748000				4
Local tax rate	mills		5.572000				5
School tax rate	mills		11.586000				6
Voc. school tax rate	mills		1.311000				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		21.409000				10
Less: state credit	mills		1.402000				11
Net tax rate	mills		20.007000				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		5.572000				14
Combined School Tax Rate	mills		12.897000				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		18.469000				17
Total Tax Rate	mills		21.409000				18
Ratio of Local and School Tax to Total	dec.		0.862675				19
Total tax net of state credit	mills		20.007000				20
Net Local and School Tax Rate	mills		17.259530				21
Utility Plant, Jan. 1	\$	3,747,028	3,747,028				22
Materials & Supplies	\$	0	0				23
Subtotal	\$	3,747,028	3,747,028				24
Less: Plant Outside Limits	\$	0	0				25
Taxable Assets	\$	3,747,028	3,747,028				26
Assessment Ratio	dec.		1.039552				27
Assessed Value	\$	3,895,230	3,895,230				28
Net Local & School Rate	mills		17.259530				29
Tax Equiv. Computed for Current Year	\$	67,230	67,230				30
Tax Equivalent per 1994 PSC Report	\$	38,135					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	67,230					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	14,200		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	25,637		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	39,837	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	17,003		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	70,456		17
Diesel Pumping Equipment (326)	13,766		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	101,225	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	2,987	822	23
Total Water Treatment Plant	2,987	822	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			14,200	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			25,637	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	39,837	
PUMPING PLANT				
Land and Land Rights (320)			0	12
Structures and Improvements (321)			17,003	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			70,456	17
Diesel Pumping Equipment (326)			13,766	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			0	20
Total Pumping Plant	0	0	101,225	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			3,809	23
Total Water Treatment Plant	0	0	3,809	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	21,937		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	462,722		26
Transmission and Distribution Mains (343)	2,079,522	2,310	27
Fire Mains (344)	0		28
Services (345)	616,034	718	29
Meters (346)	132,154	8,669	30
Hydrants (348)	221,286	321	31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	3,533,655	12,018	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	1,671	911	35
Computer Equipment (372.1)	12,856		36
Transportation Equipment (373)	39,936	13,652	37
Other General Equipment (379)	14,861	17,654	38
Other Tangible Property (390)	0		39
Total General Plant	69,324	32,217	
Total utility plant in service directly assignable	3,747,028	45,057	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	3,747,028	45,057	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			21,937	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			462,722	26
Transmission and Distribution Mains (343)		(720,376)	1,361,456	27
Fire Mains (344)			0	28
Services (345)	200	(274,422)	342,130	29
Meters (346)			140,823	30
Hydrants (348)		(105,764)	115,843	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	200	(1,100,562)	2,444,911	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			2,582	35
Computer Equipment (372.1)			12,856	36
Transportation Equipment (373)			53,588	37
Other General Equipment (379)			32,515	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	101,541	
Total utility plant in service directly assignable	200	(1,100,562)	2,691,323	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	200	(1,100,562)	2,691,323	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	<u>0</u>	<u>0</u>	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	<u>0</u>	<u>0</u>	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	<u>0</u>	<u>0</u>	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)			26
Transmission and Distribution Mains (343)		189,622	27
Fire Mains (344)			28
Services (345)		30,869	29
Meters (346)			30
Hydrants (348)		36,021	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	0	256,512	
GENERAL PLANT			
Land and Land Rights (370)			33
Structures and Improvements (371)			34
Office Furniture and Equipment (372)			35
Computer Equipment (372.1)			36
Transportation Equipment (373)			37
Other General Equipment (379)			38
Other Tangible Property (390)			39
Total General Plant	0	0	
Total utility plant in service directly assignable	0	256,512	
Common Utility Plant Allocated to Water Department			40
Total utility plant in service	0	256,512	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)		720,376	909,998 27
Fire Mains (344)			0 28
Services (345)		274,422	305,291 29
Meters (346)			0 30
Hydrants (348)		105,764	141,785 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	1,100,562	1,357,074
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	1,100,562	1,357,074
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	0	1,100,562	1,357,074

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			7,741	7,741	1
February			6,875	6,875	2
March			7,704	7,704	3
April			9,374	9,374	4
May			8,288	8,288	5
June			8,978	8,978	6
July			8,602	8,602	7
August			9,396	9,396	8
September			8,376	8,376	9
October			7,731	7,731	10
November			7,518	7,518	11
December			7,417	7,417	12
Total annual pumpage	0	0	98,000	98,000	
Less: Water sold				87,014	13
Volume pumped but not sold				10,986	14
Volume sold as a percent of volume pumped				89%	15
Volume used for water production, water quality and system maintenance				700	16
Volume related to equipment/system malfunction				200	17
Non-utility volume NOT included in water sales				708	18
Total volume not sold but accounted for				1,608	19
Volume pumped but unaccounted for				9,378	20
Percent of water lost				10%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				651	23
Date of maximum: 4/14/2003					24
Cause of maximum:					25
High Demand					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				0	26
Date of minimum: 1/23/2003					27
Total KWH used for pumping for the year				137,145	28
If water is purchased: Vendor Name: N/A					29
Point of Delivery: N/A					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
HUBBELL	1	371	14	501,120	Yes	1
PORTER	2	800	16	720,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification	1	2	1
Location	HUBBELL STREET	PORTER STREET	2
Purpose	P	P	3
Destination	D	D	4
Pump Manufacturer	LAYNE NEW	LAYNE NEW	5
Year Installed	1999	1969	6
Type	VERTICAL TURBINE	VERTICAL TURBINE	7
Actual Capacity (gpm)	500	600	8
Pump Motor or Standby Engine Mfr	G.E.	G.E.	10
Year Installed	1989	1969	11
Type	ELECTRIC	ELECTRIC	12
Horsepower	40	40	13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)
Identification			14
Location			15
Purpose			16
Destination			17
Pump Manufacturer			18
Year Installed			19
Type			20
Actual Capacity (gpm)			21
Pump Motor or Standby Engine Mfr			22
Year Installed			23
Type			24
Horsepower			25
			26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	2		1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS			2
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET		3
Year constructed	1989		4
Primary material (earthen, steel, concrete, other)	STEEL		5
Elevation difference in feet (See Headnote 3.)	158		6
Total capacity in gallons (actual)	300,000		7
WATER TREATMENT PLANT			8
Disinfection, type of equipment (gas, liquid, powder, other)	OTHER		9
Points of application (wellhouse, central facilities, booster station, other)	OTHER		10
Filters, type (gravity, pressure, other, none)	NONE		11
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)	122.0000		12
Is a corrosion control chemical used (yes, no)?	Y		13
Is water fluoridated (yes, no)?	Y		14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	3.000	300	0	0	0	300	1
M	D	4.000	3,564	0	0	0	3,564	2
M	D	6.000	40,629	0	0	0	40,629	3
M	D	8.000	18,709	4,370	0	0	23,079	4
M	D	10.000	7,528	1,035	0	0	8,563	5
M	D	12.000	7,341	0	0	0	7,341	6
Total Within Municipality			78,071	5,405	0	0	83,476	
Total Utility			78,071	5,405	0	0	83,476	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	402	0	1	0	401		1
M	1.000	550	34	0	0	584	0	2
M	1.250	1	0	0	0	1		3
M	1.500	21	0	0	0	21		4
M	2.000	16	3	0	0	19		5
M	3.000	2	0	0	0	2		6
M	4.000	2	0	0	0	2		7
M	6.000	1	0	0	0	1		8
Total Utility		995	37	1	0	1,031	0	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.750	1,161	6	0	(19)	1,148	0	1
1.000	23	2	0	9	34	0	2
1.250	0	0	0	0	0	0	3
1.500	10	4	0	(5)	9	0	4
2.000	9	1	0	0	10	0	5
3.000	4	1	0	2	7	0	6
6.000	1	0	0	0	1	1	7
8.000	1	0	0	0	1	1	8
Total:	1,209	14	0	(13)	1,210	2	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.750	930	48	8	5	0	157	1,148	1
1.000	0	20	0	1	0	13	34	2
1.250	0	0	0	0	0	0	0	3
1.500	0	7	0	2	0	0	9	4
2.000	0	2	0	6	0	2	10	5
3.000	0	0	0	3	0	4	7	6
6.000	0	1	0	0	0	0	1	7
8.000	0	0	0	1	0	0	1	8
Total:	930	78	8	18	0	176	1,210	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	136	14			150	2
Total Fire Hydrants	136	14	0	0	150	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	150
Number of distribution system valves end of year:	416
Number of distribution valves operated during year:	300

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Account 640 - Supplies and Expenses

In 2002 there was a write-off of inventory for \$2,300. No inventory was written off in 2003.

Account 650 - Repairs of Water Plant

Current year includes costs for replacing doors at the pump house for \$1,300 plus maintenance of the pump starter at well #2 for \$7,100.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Additions for Accounts OTHER than 316, 343, 345, 346 and 348 exceed \$10,000, please explain. If applicable, provide construction authorization.

Account 379 (Other General Equipment) - Additions were for new safety equipment and portion of a Deere Loader.

Account 373 - Additions were for purchases of a new truck and a portion of a plow.

If Adjustments for any account are nonzero, please explain.

Accounts 343, 348, 345 - These adjustments were to create segregated plant accounts for contributed assets and establish beginning balances as of 1/1/03.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

If Adjustments for any account are nonzero, please explain.

Accounts 345, 348, 343 - These adjustments were to create segregated plant accounts for contributed assets and to establish beginning balances as of 1/1/03.

Water Mains (Page W-17)

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

Additions were financed by developers.

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

Additions were financed by developers.

Meters (Page W-19)

Explain all reported adjustments.

Adjustments were due to a reevaluation of the billing system to meter records.
